



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

September 7, 2004

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**JOINT TAX TRANSFER RESOLUTION BETWEEN THE COUNTY OF  
LOS ANGELES AND THE CITY OF WEST COVINA APPROVING AND ACCEPTING  
THE NEGOTIATED EXCHANGE OF PROPERTY TAX REVENUE AS A RESULT OF  
THE PROPOSED ANNEXATION OF UNINCORPORATED LOS ANGELES COUNTY  
TERRITORY TO THE CITY OF WEST COVINA**

**[CITY OF WEST COVINA ANNEXATION NO. 2004-03]  
(SUPERVISORIAL DISTRICTS 1 AND 5) (3 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Adopt the Joint Resolution between your Board and the City Council of the City of West Covina (City) based on the negotiated exchange of property tax revenue, as a result of the proposed annexation of approximately three acres of unincorporated Los Angeles County territory to the City of West Covina.
2. Authorize the Chief Administrative Officer to provide the Local Agency Formation Commission (LAFCO) with the County of Los Angeles' and the Consolidated Fire Protection District's (CFPD's) written consent to waive the protest proceedings for the proposed annexation, pursuant to Section 56663(c) of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

Honorable Board of Supervisors  
September 7, 2004  
Page 2

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

On August 17, 2004, the City Council of the City of West Covina adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated Los Angeles County territory into the City's legal boundaries. In order for LAFCO to proceed with the required hearings on the proposed annexation, your Board, as the governing body of the County, Road District No. 1, and the CFPD must also adopt the attached Joint Resolution, which transfers base revenue and a portion of the annual property tax increment ratio from the County to the City and adjusts the County's and the City's share of the annual property tax increment ratio accordingly.

The purpose of the protest proceedings waiver is to expedite the LAFCO process to consider the annexation for final approval. If all of the affected public agencies and the landowners involved in the process consent to the waiver, the need for a LAFCO protest hearing is eliminated and LAFCO may order the annexation at the first hearing at which the proposal is considered.

### **FISCAL IMPACT/FINANCING**

There is no base property tax transfer from the County to the City. The adopted resolution will allocate a share (0.154097544) of the annual property tax increment attributable to City of West Covina Annexation No. 2004-03 in the proposed annexation area from the County to the City commencing in Fiscal Year 2005-06. The County's share of the annual property tax increment in the proposed annexation area shall be adjusted accordingly.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

Pursuant to Part 3, Division 3, Title 5 of the California Government Code, commencing with Section 56000, the City filed its application with LAFCO on April 16, 2004 to initiate proceedings for annexation of approximately three acres of unincorporated Los Angeles County territory.

Honorable Board of Supervisors  
September 7, 2004  
Page 3

The City of West Covina is currently entirely within the Fifth Supervisorial District. However, the proposed annexation area is located within the First Supervisorial District and shall remain within the First Supervisorial District subsequent to the annexation. Placement of this area in the same Supervisorial District as the remainder of the City of West Covina will likely be addressed at the next decennial redistricting effort.

Section 99 of the Revenue and Taxation (R&T) Code requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change must negotiate a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City has adopted the Joint Resolution, as required by Section 99 of the R&T Code.

Pursuant to Government Code Section 56663(c), LAFCO may waive protest proceedings if (1) the proposed territory is uninhabited, (2) the affected agencies that will gain or lose territory as a result of the change of organization or reorganization have consented in writing to a waiver of protest proceedings, and (3) the affected owners of land have also agreed to the waiver. Pursuant to Government Code Section 56046, the annexation area is deemed uninhabited. The City and the landowner, Rowland Unified School District, have indicated that they will provide LAFCO with consent to waive the protest proceedings. Your Board's authorization will allow the Chief Administrative Officer to provide LAFCO a similar waiver on behalf of the County of Los Angeles and the CFPD.

The Joint Resolution has been approved as to form by County Counsel.

Honorable Board of Supervisors  
September 7, 2004  
Page 4

**CONCLUSION**

At such time as the recommendation is approved by your Board, please return one copy of this letter and five signed originals of the Resolution to LAFCO, three copies of this letter and one signed original of the Resolution to the Chief Administrative Office, Office of Unincorporated Area Services and Special Projects, and one copy of the letter and Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "David E. Janssen", with a stylized flourish at the end.

DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:MKZ  
DD:BC:os

Attachment

c: Auditor-Controller  
County Counsel  
Fire Department

**RESOLUTION NO. 2004-71**

**JOINT RESOLUTION OF  
THE BOARD OF SUPERVISORS OF THE COUNTY OF LOS ANGELES  
AND THE CITY COUNCIL OF THE CITY OF WEST COVINA  
APPROVING AND ACCEPTING THE NEGOTIATED EXCHANGE OF PROPERTY TAX  
REVENUE RESULTING FROM ANNEXATION NO. 2004-03 TO THE CITY OF WEST COVINA  
AND DETACHMENT FROM THE LOS ANGELES COUNTY CONSOLIDATED FIRE  
PROTECTION DISTRICT AND LOS ANGELES COUNTY ROAD DISTRICT NO. 1**

**(ANNEXATION NO. 2004-03)**

**WHEREAS**, pursuant to Section 99 of the Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

**WHEREAS**, the Board of Supervisors, as the governing body of the County of Los Angeles, the Consolidated Fire Protection District (CFPD) and Los Angeles County Road District No. 1 (Road District No. 1), and the City Council of the City of West Covina, have determined that the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of unincorporated territory to the City of West Covina, identified as Annexation No. 2004-03, and detachment of said territory from the CFPD and Road District No. 1.

**NOW, THEREFORE, BE IT RESOLVED** as follows:

1. The negotiated exchange of property tax revenues between the County of Los Angeles and the City of West Covina resulting from Annexation No. 2004-03 is approved and accepted.
2. For fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by the CFPD attributable to Annexation No. 2004-03 shall be transferred to the County of Los Angeles and the CFPD share shall be reduced to zero as a result of the detachment of the area from the CFPD.
3. For fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, all property tax revenue received by Road District No. 1 attributable to Annexation No. 2004-03 shall be transferred to the County of Los Angeles and the Road District No. 1 share shall be reduced to zero as a result of the detachment of the area from Road District No. 1.
4. For fiscal years commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, zero dollars (\$0) in base property tax revenue shall be transferred from the County of Los Angeles to the City of West Covina. In addition, for each fiscal year commencing on or after July 1, 2005, or the July 1 after the effective date of this jurisdictional change, whichever is later, 0.154097544 of the annual property tax growth attributable to Annexation No. 2004-03 shall be transferred from the County of Los Angeles to the City of West Covina, and the County's share of incremental growth shall be reduced accordingly.

5. In the event that all or a portion of the annexation area is included within a redevelopment project pursuant to California Community Redevelopment Law, Health & Safety Code Sections 33000 et seq., the City of West Covina shall not adopt the ordinance approving the redevelopment plan with respect to the annexed area until such time as the Redevelopment Agency of the City of West Covina has diligently and in good faith complied with all applicable provisions of the California Community Redevelopment Law, including but not limited to, Health & Safety Code Section 33670 or any other relevant provision of the law. Any ordinance approving a redevelopment project which does not comply with this paragraph shall be void and of no effect with regard to the subsequent allocation and distribution of taxes to the Redevelopment Agency.

PASSED AND APPROVED on this 17th day of August 2004.

  
\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

STATE OF CALIFORNIA           )  
COUNTY OF LOS ANGELES    )  
CITY OF WEST COVINA         )


I Janet Berry, City Clerk of the City of West Covina, do hereby certify that the foregoing Resolution was adopted by the City Council of the City of West Covina at a regular meeting held on the 17th day of August 2004.

AYES:       Herfert, Hernandez, Sanderson, Wong, Miller


NOES:       None

ABSENT:     None

DATE:       August 17, 2004

  
\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
City Attorney

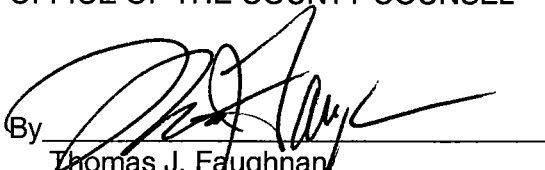
The foregoing resolution was on the \_\_\_\_\_ day of \_\_\_\_\_, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.

VIOLET VARONA-LUKENS, Executive Officer  
Clerk of the Board of Supervisors  
of the County of Los Angeles

By \_\_\_\_\_  
Deputy

APPROVED AS TO FORM:

OFFICE OF THE COUNTY COUNSEL

By   
Thomas J. Faughnan  
Senior Deputy County Counsel